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GREEN MOUNTAIN CARE BOARD LIMITS MVP RATE INCREASE FELT BY VERMONTERS TO 1.9%

Montpelier, VT - The Green Mountain Care Board (GMCB) today announced its decision to reduce the rate increase requested by MVP Health Plan, Inc. (MVP) for insurance plans offered for 2019 in Vermont's individual and small group market through Vermont Health Connect (VHC), Vermont's online health benefits exchange, or by direct enrollment with the insurer. The rates were filed by insurers in May and were subject to a 90-day analysis and review by GMCB's actuaries and staff and by the Office of the Health Care Advocate as an interested party to the filing, and culminated in a public hearing at the Vermont State House on July 24, 2018. The Board solicited comment on the rates from members of the public in writing, by phone and in person at the close of the hearing and at a separately-held public forum. The Board received comments from over 150 Vermonters.

MVP, which insures more than 25,000 Vermonters in the individual and small group market, requested a 10.9% average annual rate increase for its plans beginning January 1, 2019. The insurer cited rising medical and pharmaceutical costs, the elimination of the federal individual mandate penalty, and changes to federal and state law as drivers of its requested rate increase.

The GMCB cut the rate request by nearly 40%, approving a 6.6% average annual increase. This year, however, due to additional premium tax credits that are available to Vermonters to offset the cost of premiums, *the average annual rate increase actually experienced by policyholders will be approximately 1.9%*. The GMCB encourages Vermonters to use the online subsidy calculator available at the Department of Vermont Health Access's website to see if they are eligible for subsidies that will offset the cost of their premiums.

"MVP continues to gain a larger share of the Vermont Health Connect market as they work to provide an affordable health insurance option to Vermonters" said Kevin Mullin, Chair of the Green Mountain Care Board. "I am hopeful that they will continue to pursue cost-containment initiatives and achieve additional operational efficiencies, especially moving from a fee-for-service payment methodology to reimbursement that is value-based."

For more information about how the GMCB reviews health insurance rates, see the rate review website:

<http://ratereview.vermont.gov/>.

